

GOVERNMENT OF TELANGANA
ABSTRACT

Consumer Affairs – Establishment of the Telangana State Consumer Welfare Fund by mobilizing finances – Constitution of Board of Trustees to monitor the utilization of the amount from the fund – Orders – Issued.

CONSUMER AFFAIRS, FOOD AND CIVIL SUPPLIES (CS.I-CCS) DEPARTMENT

G.O.Ms.No. 3

Dated: 15-02-2018

Read the following:

1. G.O.Ms.No.53, CAF&CS(CS.III) Department, dt.9.8.2004.
2. G.O.Ms.No.8,CA,F&CS(CS.I-CCS)Department, dt.27.2.2016.
3. From the Commissioner of Civil Supplies, Hyderabad,
Ref No.CA/101/2015,dt.26.3.2016.

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ORDER:

In supersession of the orders issued in the reference 2nd read above and based on the report of the Commissioner of Civil Supplies in the reference 3rd read above, it is felt necessary to create awareness on Consumer Rights from Village level to State level for the benefit of the common man and to strengthen the consumer organizations / institutions at various levels. The Commissioner of Civil Supplies has suggested that to make available the required funds for this purpose, it is necessary to create a source of funding viz., Telangana Consumer Welfare Fund by pooling funds from various sources and to use the same for the benefit of the common man.

2. Government after careful examination of the above proposal in detail and keeping in view the need to strengthen the consumer awareness, hereby approve the proposal for creation of Telangana State Consumer Welfare Fund by mobilizing the resources as follows:

- i) 10% from out of the budget allocated under Consumer Awareness Fund.
- ii) Contributions from the PSU Oil Companies (HPCL, IOC, BPC, IBP) / other PSUs.
- iii) Contributions from Rice Millers.
- iv) Contributions from NGOs.
- v) Contributions from Private Industries.
- vi) Unclaimed refunds of the security deposits made by the dealers in food grains, edible oils, sugar, petroleum products or any other commodities and the rice millers with the Licensing Authority under the provisions of various Licensing / Control Orders.
- vii) Any other source to be notified by the Government.

(PTO)

3. This fund shall be operated by the Department of Consumer Affairs, Food & Civil Supplies. The fund shall be utilized for extending financial assistance to promote the welfare of the consumers, to protect the consumers from exploitation, unfair trade practices and to strengthen the consumer movement in the State. This fund is a non-plan public account outside the Consolidated Fund and non-lapsable. The unspent amount from the budget during the year goes back to this account.

4. The head of account for operating the Consumer Welfare Fund through public account is 3456 – Civil Supplies – M.H – 104 – Consumer Welfare Fund GH(11) – Normal State Plan – SH(04) – State Consumer Welfare Fund-500 – Other Charges -503-Other Expenditure.

5. After creation of the fund, the Government of India will also be requested to exempt the contribution made to the Fund by the individuals / institutions / companies from the Income Tax under Section 80.

6. The applicant, who is desirous to seek financial assistance from the State Consumer Welfare Fund, is required to apply in the prescribed proforma –A to the Commissioner of Civil Supplies & E.O.Principal Secretary to Government, Consumer Affairs, Food & Civil Supplies Dept., Civil Supplies Bhavan, Somajiguda, Hyderabad.

7. The applicant should submit annual reports, statement of accounts, list of members and such other information as required. All eligible applicants claiming financial assistance under the Scheme shall made an application to the "Commissioner of Civil Supplies and E.O. Prl. Secretary to Government, Consumer Affairs, Food & Civil Supplies Department in the enclosed Format-A.

8. The following are eligible for assistance:-

Any agency / organization / institution engaged in consumer welfare activities at least for a period of three years and registered with the Registrar of Societies or any other authority of the State / Central Government under the law in force.

Preference will be given to such organizations which have been working in rural areas and having larger participation of women.

N.B: In case, a group of organizations approach with a common project, one organization may function as mother unit and it should not be necessary for all the participants to separately fulfill the condition of three years.

9. Disqualification:

Any Consumer Voluntary Organisation / Institution / Agency shall be disqualified from availing of financial assistance under this scheme if it;

- a) Denies or refuses to furnish any information demanded by the State Government; or
- b) After receipt of the financial assistance from the State Government under this Scheme, does not utilize for the specific and bonafide purpose but diverts for some other purpose not connected with the activity of the organization;

- c) Furnishes wrong and incorrect information or suppresses relevant or material facts; or
- d) Is blacklisted or derecognized by the State Government or the Central Government.

10. The registered consumer voluntary organizations consumer activists, institutions working for consumer welfare activities shall be eligible for grant of the expenditure from the Consumer Welfare Fund as indicated below.

- a) Expenses towards training up to 75%(recurring only)
- b) Conduct of work shops/seminars upto 75% expenditure (recurring only)
- c) Cost of publicity material by various organizations up to 50% (recurring only)
- d) Redressal of consumer grievances – 90% expenditure (recurring only)
- e) Research / Analysis (Testing Labs) 90% (non recurring)

11. The following items may qualify for assistance:

- Recurring expenditure depends upon the nature of project;
- non recurring expenditure on
 - Purchase of equipments / machinery
 - Purchase of furniture / fixtures
 - Other items as may be considered necessary by the Board of Trustees.

NB: Construction of buildings and purchase of vehicles are strictly prohibited.

Payment of salaries or wage of staff on recurring basis will not be considered as a general rule but appointment of some experts / professional staff as integral part of the project may be considered in deserving cases for a limited period. Such expenditure should not, however, exceed 10% of the total project cost and will be considered depending on the nature of the project.

12. Terms and conditions of Financial Assistance:

- i) The fund should not be used for any party or political propaganda.
- ii) Quarterly progress reports on the implementation of the programme / project should be submitted to the Department of Consumer Affairs, Food & Civil Supplies, Secretariat regularly.
- iii) The organization should maintain a record of all the assets acquired wholly or substantially out of the financial assistance given from the Telangana State Consumer Welfare Fund. Such assets shall not be disposed off, encumbered or utilized for the purposes other than those for which the assistance was given without prior sanction of the Government of Telangana. Should the organization ceases to exist at any time, such assets will revert to the Government of Telangana.

13. Utilisation of Financial assistance:

- (1) Any applicant registered and running Consumer Voluntary Organisation / Institutions / Agencies shall utilize the money sanctioned under this scheme to pursue any or all the following objectives:-
 - a) Organizing consumer awareness programmes:- such programmes, as far as practicable shall be conducted at the village, mandal, sub-division and district levels duly involving the Gram Panchayats / Local bodies / Units of the concerned area wherever there are conducted.
 - b) Preparation of publicity materials: The applicant shall prepare publicity material like pamphlets, hand-outs, posters, booklets etc., in simple local language duly giving all material information which common people may easily understand; and it shall be mandatory for any applicant to get such publicity materials shown, vetted and approved from the Board constituted;
 - c) The applicant shall put effort to disseminate information to the consumers through all available media so that the process of consumer awakening is at faster pace.
 - d) Filing of complaints on behalf of ignorant illiterate and helpless consumers;
 - e) Majority of the rural people and some of the urban poor people of the State may have no knowledge about the existence of the Consumer Disputes Redressal Agencies which are dispensing swift, expeditious and inexpensive justice to aggrieved consumers. Consequently, very few cases are being filed in these Consumer Disputes Redressal agencies; Hence, the applicants shall identify the consumers who need help in filing consumer complaints in the appropriate forum and if need be, the applicants can themselves file and contest cases on behalf of such ignorant, illiterate and helpless consumers. Section 12 (b) of the Act has empowered the Consumer Voluntary Organisations to file consumer complaints on behalf of those consumers who are unable to do so.
- (2) The financial assistance granted under this scheme shall be utilized for promotional activities aimed to generate consumer awareness, accelerating the pace of consumer welfare activities and to popularize the functioning of the Consumer Disputes Redressal Agencies and for the purposes which are directly linked or are incidental to give momentum to the Consumer Movement in the State.

14. Government also hereby constitute a Board of Trustees to supervise and monitor the utilization of the Fund with the following:

- | | |
|--|-------------|
| a. Commissioner of Civil Supplies &
E.O. Prl. Secretary to Govt., CAF&CS Dept | .. Chairman |
| b. Secretary to Govt., Finance Dept | .. Member |
| c. Commissioner of School Education | .. Member |
| d. Commissioner of Commercial Taxes | .. Member |
| e. Commissioner, Transport Dept | .. Member |
| f. Commissioner, Panchayt Raj Dept | .. Member |

- g. Director, Women Development & Child Welfare Dep .. Member
- h. Commissioner/Director, Municipal Admn Dept .. Member
- i. Member Secretary, TS Pollution Control Board .. Member
- j. One of the Presidents of the (10) District Fora to be nominated by the president of State Commission .. Member
- k. One NGO to be nominated by the Chairman of the Board .. Member
- l. Dy. Commissioner/Jt. Commissioner (Consumer Affairs) O/o the Commissioner of Civil Supplies .. Member and Convener

(15) Powers and functions of the Board of Trustees (BoT):-

The Board shall have the powers:-

- a) To require any applicant to produce before it or a duly authorized officer of the Government, such books, accounts, documents, instructions or commodities, in custody and under the control of the applicant, as may be necessary for proper evaluation of the application;
- b) To require any applicant to allow entry and inspection of any premises from which activities claimed to be for the welfare of consumers, are stated to be carried out, to an authorized officer of the State Government;
- c) To get the accounts of the applicant audited, for ensuring proper utilization of the grant;
- d) To require any applicant, in case of any default or suppression of material information on his / her part, to refund in lump, the sum sanctioned as grant to the Board and to be subjected to prosecution under the relevant laws;
- e) To recover any sum due from any applicant in accordance with the provisions of this Scheme;
- f) To require any applicant or class of applicants to submit a periodical report indicating proper utilization of the grant;
- g) To reject an applicant placed before it on the basis of involvement of factual inconsistency, or inaccuracy in the material particulars or not conforming to the objectives;
- h) To recommend minimum financial assistance by way of grant to an applicant, having regard to his / her financial status and importance and utility of nature of activity under pursuit, after ensuring that the financial assistance provided shall not be misutilised.
- i) To identify beneficial and safe sectors, where investment out of the Consumer Welfare Fund may be made and to make recommendations accordingly.

16. The Board of Trustees shall meet as and when it is required and review receipts and utilization of funds. The Board of Trustees are hereby authorized to incur the expenditure as per the guidelines notified by the Government.

Power to remove difficulties:- If any difficulty arises in giving effect to the provisions of this scheme, the same shall be referred to the State Government whose decision thereon shall be final and binding. No appeal shall lie in any forum in case of a dispute. The financial assistance under this Scheme cannot be claimed as a matter of right.

17. The Collectors shall communicate this order to all the stakeholders viz. the Consumer Voluntary Organizations, all NGOs / Associations / Institutions / Agencies associated with consumer activities for information. Required publicity shall also be arranged through press and other media for information to the public.

18. The Commissioner of Civil Supplies, Hyderabad shall take necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF THE TELANGANA)

C.V.ANAND
EX-OFFICIO PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner of Civil Supplies and EOPS to Govt., Hyderabad
All Members of the Board of Trustees.
The President,
Telangana State Consumer Disputes Redressal Commn, Hyderabad.

Copy to:

The Secy, Min of CAF&PD, Dept of Consumer Affairs, GOI,
Krishi Bhavan, New Delhi.
All Collectors/Joint Collectors/ District Supply Officers.
All Presidents of District Forums.
The Controller of Legal Metrology, Hyderabad.
The Commissioner, I&PR Dept., Hyderabad.
The Secretary to C.M.
PS to CS/ OSD to Min(Fin & CS)
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER

ANNEXURE – XIII

FORM – A- I

(Please see Paragraph 9 of the Consumer Welfare fund Scheme, 2003)

IMPORTANT: Please fill up this form furnishing correct details sought for, based on verifiable true state of affairs without causing suppression of any material information which, if resorted to , shall entail prosecution under the relevant laws.

1. Name and full postal address
of the applicant
2. Status of the applicant
(whether Consumer Activist /
Women's Organisation / Consumer
Voluntary Organisation)
3. Date of Establishment
4. Whether registered under the
Relevant Act or LAW
5. If yes, number and year of registration
(attested copy of registration certificate to
be enclosed)
6. Whether the organization is of State /
District / Division Mandal Village
Level
7. Number of Managing Committee members
Together with list of names, addresses and
Occupations of the office bearers
8. Brief details of the organization, :
Objectives and activities during the
last three years(A separate sheet
to be enclosed)
9. Purpose for which the amount:
is required (please state the
Details of the project and its
Proposed implementation – a
Separate sheet to be enclosed)
10. Amount of grant required item-wise.
(Details under non-recurring / recurring
to be enclosed separately)
11. Time Schedule of the activities arranged
(A separate sheet to be enclosed)
12. The total amount incurred/invested
by the applicant, or likely to be
incurred by the applicant for the
implementation of the project
13. Sources of funding of the balance /
above amount. Whether the
organisation is getting financial
Assistance from any official/non
- official source. If yes, give
details.

14. Details of prosecution if any, in a Court of Law, launched against the Applicant, during the last five years

15. Copies of the following documents
To be attached

- i) Constitution of the organization and Articles of Association
- ii) Last Annual Report and Audited Statement of Accounts

DECLARATION

The particulars heretofore given are true and correct. No material has been suppressed. It is certified that I/We have read the guidelines, terms and conditions governing the Scheme and undertake to abide by them on behalf of our Organisation/Institution. The financial assistance, if provided, shall be put to the declared use, for promotion and protection of the rights of consumers or for purposes relating thereto. I/we have signed this declaration after fully understanding the covenants of the Scheme.

Dated

APPLICANT

Place

RECOMMENDATION OF THE COMMITTEE MEMBER – CONVENER

Factual details furnished in the application have been verified in consultation with the Department of Food and Civil Supplies and Consumer (Consumer Protection Cell) which is administratively concerned in the matter and found to be correct / in correct. The claims of the applicant are recommended for consideration by the Board (Please give reasons in support of recommendation).

Member-Convener
Board of Trustees,
Telangana State Consumer Welfare Fund.

SANCTION ORDER

Sanctioned the grant of Rs. _____)Rupees
_____) only from Telangana State
Consumer Welfare Fund as discussed in the meeting held on (date).

Chairman
Board of Trustees,
Telangana State Consumer Welfare Fund.